COMMENTS OF

THE ALLIANCE FOR COMMUNITY MEDIA -- WESTERN REGION

The Alliance for Community Media (Alliance) is a national nonprofit membership organization representing hundreds of Public, Educational and Government (PEG) access centers in the United States. The Western Region of the Alliance includes over 150 organizational and individual members from the states of Arizona, California, Colorado, Hawaii, Nevada and New Mexico.

There are approximately 5,000 PEG television channels dedicated to localism, education, community affairs, government meetings, and programming by nonprofit entities and individual producers across the country. These local channels reside on cable systems and exist as part of franchise agreements between local franchising authorities and cable operators. Typically these channels are carried on the basic service tier of the cable system.

Over one million hours of original PEG programming are produced each year and thousands of people are trained to use production equipment and computers at PEG centers. This activity not only enables a diverse range of communication in the local community, but also provides basic technical skills to people who otherwise might not get this training. Alliance members work every day to bridge the "digital divide," and give people practical skills that can be used to increase employability, acquire education and participate in the democratic process.

With our mission and expertise borne specifically from serving local interests for nearly thirty years, the Alliance is uniquely qualified to address the Localism docket -- and it can

provide solutions. Many in our membership, ranging from community producers, municipal officials, educators, non-profit organizations, and media professionals, indeed have a vested interest to promote an equitable use of the media spectrum that best serves the interests of their local communities. Since the 1984 Cable Act, PEG operations have matured and refined their approach to defining and serving community needs, surpassing the original expectations of the Cable Act's provision for PEG channels.

As the Commission and its Localism Task Force proceed with further study on this issue towards improved policies and legislation, we invite it to consider a careful analysis of PEG operations throughout the country, and how they strive to meet the needs of their communities every day. The Alliance would be more than willing to provide assistance to the Commission and the Localism Task Force in such an endeavor.

I. <u>PEG ACCESS PROVIDES A MODEL FOR LOCALISM THAT COULD BE USED FOR BROADCAST, SATELLITE AND IP-ENABLED MEDIA.</u>

The development of PEG access channels, programming, equipment and services -adequately funded in many communities by grants from cable operators and local government -provides a model for localism that could be used for broadcast, satellite and IP-enabled media.

Through a locally accountable process, broadcast, broadband wireline, wireless, and satellite
transmission capacity --along with financial contributions to a "Community Media Fund" by
broadcast, cable, satellite and other media service providers -- could be set aside to support local
efforts to empower citizens as "sources of information in the electronic marketplace." Local
oversight of such public service media resources -- including radio frequencies, cable- and
satellite-delivered channels, and other outlets -- is an essential principle from the cable access
model that could be used.

Cable franchising authorities collect compensation for the private commercial use of public rights-of-way by media corporations. Drawing from that experience, mandatory set asides of local media resources and spectrum should be standardized at ten percent to compensate for private use of public media assets -- similar to the policy of "public green space" set aside for local communities by private land developers. We need some electronic green space to be set aside in our current strip mall of commercial media.

Where franchising authorities have negotiated agreements with cable operators to adequately address local needs, community groups and individuals from all walks of life now produce over one million hours of original, non-commercial, <u>local</u> programming each year. This is happening on cable systems in communities from coast to coast, in large cities such as New York City and Chicago and in smaller communities such as Germantown, Tennessee and Monterey, California.

Cable access programmers have many exceptional stories to tell about their efforts and daily achievements in presenting "programming that is responsive to the interests and needs of their communities." The FCC could help to fulfill its educational role by distributing information about such local programming activities that are occurring throughout the U.S. on broadcast and cable access stations. Such examples could inspire similar efforts in other communities.

II. COMMERCIAL MEDIA ALONE DO NOT ADEQUATELY SERVE LOCAL COMMUNITY NEEDS AND INTERESTS, AND CONSOLIDATED OWNERSHIP EXACERBATES THE PROBLEM.

With very few exceptions, the commercial media marketplace does not currently support non-commercial speech. While a few examples of responsible and admirable efforts by

broadcasters (e.g., the Hearst-Argyle stations) have been presented with great pride to the FCC during its Localism hearings, continuation of the Commission's permissive attitude regarding ownership consolidation could easily lead to the demise of these few remaining points of light. What would happen if another media corporation -- one with a very different local programming philosophy -- decided to buy the Hearst-Argyle group? As recent consolidation history reveals, the help wanted ads would soon be scrutinized by many highly regarded but no longer needed journalists, fresh victims of the consolidation frenzy.

PEG access veterans have had first-hand experience with the effect of media consolidation on local programming efforts. Until they were bought in the 1990s, cable MSOs like American Cablesystems and Continental Cablevision offered a relatively welcoming approach to local programming in many of the communities that they served. The corporate leadership of those firms included individuals who strongly supported the development of local programming activities, and often regarded such programs as important elements of the company's effort to stand apart from their competitors. That attitude is now a distant memory. The top three cable MSOs that currently control well over half (almost 40 million) of the cable subscribers in the U. S. -- Comcast, Time Warner and Cox -- have lengthy track records of actively and ardently opposing efforts by communities to adequately develop and support PEG Access operations. (Skeptics should contact local government officials in San Jose and other Bay Area communities in California to hear how Comcast has been fighting such efforts.)

Local communities require their own voices. Congress and the FCC must protect local media and uphold the public interest. Without this intervention, the needs and interests of distinct local communities, especially lower-income people and minority groups who lack buying power, are ignored or misrepresented as a result. The best way to promote locally-

oriented programming is to set aside bandwidth and spectrum and secure adequate funds to support the development of a variety of non-commercial, public service media in every community.

III. LOCALISM PROVIDED BY PEG.

The lack of local public affairs programming on traditional media outlets has been well-documented. In April 1998, the Media Access Project and the Benton Foundation published a report, What's Local about Local Broadcasting? (www.benton.org/Television/whatslocal.html), that surveyed stations in selected markets regarding the amount of local public affairs programming aired weekly. The survey found that, in the five markets examined (Chicago, IL; Phoenix, AZ; Nashville, TN; Spokane, WA; and Bangor, ME), 40 commercial broadcasters provided 13,250 total hours of programming - just 0.35% (46.5 hours) were devoted to local public affairs over a two-week period. Moreover, the survey found that 35% of the stations provided no local news, and 25% offered neither local public affairs programming nor local news.

An expanded Benton Foundation study done in early 2000

(www.benton.org/publibrary/television/lpa.pdf) looked at 24 markets and undertook a random sample of 112 commercial broadcast stations to analyze local public affairs on those stations.

The study found that 0.3 percent of the total commercial broadcast time within these markets was devoted to local public affairs programming.

In November of 2003, the Alliance for Better Campaigns published a study on local television (http://bettercampaigns.org/reports/display.php?ReportID=12) that found the same result in six cities where the FCC held hearings on localism. The study found that local public

affairs accounted for 0.4% of the programming on the 45 local television stations studies in six cities.

The "Local TV Coverage of the 2002 Elections" report

(http://learcenter.org/pdf/LCLNAReport.pdf) by the Lear Center Local News Archive illustrates
-- in sobering detail --how local broadcast TV stations have largely abandoned any real efforts at serving local community needs and interests.

In contrast to these dismal findings, an example of the local and diverse interest served by PEG is CAN TV, the public access organization in Chicago. On a \$2.5 million annual budget, CAN TV has a total of 140 hours weekly of original, local programs on its channels. That figure includes 22 hours each week of live call-in programs by local nonprofit groups around issues related to immigration, housing, health, AIDS, domestic violence, gay/lesbian and a wide range of other issues. An additional seven hours weekly includes local coverage of town hall meetings, public forums, and community and civic events. In contrast, WTTW, Chicago's local PBS station, averages a little over 6 hours of local programming a week with a \$35 million annual budget.

CAN TV operates five noncommercial channels that are 95% local, generating 140 hours weekly of original programming devoted to the local community; it supports television use by Chicago's 8,000 nonprofit organizations, 75% of which have budgets of under \$250,000, that create civic, educational, arts, jobs, health, immigration, and other community based programming; and it ensures that Chicago citizens have a voice on cable television by supporting training, equipment and channel time for Chicago's diverse citizens and groups.

Since its founding in 1983, CAN TV has become an essential means of information receipt and dissemination for thousands of Chicago residents and nonprofit organization. Its five

local, noncommercial, cable channels help viewers find jobs, locate HIV/AIDS and domestic violence counseling, access art and educational resources, volunteer for nonprofits, interact with local public officials, and experience a diversity of viewpoints. CAN TV is an award-winning, highly successful, independent nonprofit. For more information, go to www.cantv.org.

The Western Region of the Alliance includes many similar examples of leadership in the development of local programming on PEG channels. Communities in our part of the U.S. -- ranging in size from large cable franchise areas like Sacramento, California; Honolulu, Hawaii and Tucson, Arizona; to medium sized markets like Albuquerque, New Mexico; Reno, Nevada and Santa Rosa, California; and to small markets like Aspen, Colorado; Santa Fe, New Mexico and the Island of Kauai -- have enjoyed the benefits of local programming that responds to the needs and interests of their residents.

The Commission and its Localism Task Force had a unique opportunity to get a firsthand look at the capabilities and dedication of a modern PEG organization when the Task Force held a public hearing in Monterey on July 21, 2004. Access Monterey Peninsula (AMP), the non-profit PEG operation that serves communities in Monterey County (and a member of the Alliance in the Western Region), presented that hearing <u>live</u> over the cable systems throughout Monterey County and other California Central Coast communities. In addition, AMP worked closely with the FCC to provide live video streaming of that hearing over the Internet. While the Monterey hearing was the fourth in the series held by the Localism Task Force, it was the first to be telecast live on cable systems and streamed live via the Internet.

In his remarks to the Voice on the Net Conference in Boston on October 19, 2004

Chairman Powell described how the public access organization in New York City (Manhattan)
was serving the local community. He noted:

In addition to individual empowerment, local communities are revived as well. Last week I was in New York City and visited a wonderful studio called the Manhattan Neighborhood Network. It provided facilities to allow average citizens to produce their own program for airing on public access channels. It allowed members of the community to check out top quality video cameras, once only available to the most sophisticated news operations. It taught citizens to produce and edit programs on desktop computers, using off-the-shelf software. In all, MNN says it has over 1200 producers from the community who cover issues unique to their locality. I was interviewed by some kids who were running their own Youth Channel and talked with some of them over publicly available WiFi hotspots. They had used these hot spots to collect footage remotely and transmit from all over the city. This is technology for the masses.

IV. THE FCC SHOULD COMMISSION STUDIES WHICH EVALUATE THE POLICIES AND PRACTICES OF PEG ACCESS AND THE REGULATORY GOAL OF LOCALISM.

The current Notice of Inquiry states that the Commission seeks "comment on any other rules, policies or procedures not specifically reviewed below, that might be relevant to our objectives." (p. 4) A review of the NOI clearly indicates that, for the most part, the Commission has limited its consideration of policies on localism to those related to structural and behavioral rules for licensed broadcasters with no consideration whatsoever of the larger communications framework, which includes non-commercial media, like PEG access. Considering that the goal

of providing service to local communities is primary for many non-commercial media organizations, any thorough evaluation of what policies and practices might best promote localism should include an evaluation of non-commercial media like PEG access. The Western Region of the Alliance strongly urges the Commission to rectify this tremendous oversight by commissioning studies that can evaluate the methods used by PEG access to promote localism, compare and contrast these practices and their outcomes with those of commercial broadcasters, and explore the potential for expanding the PEG access model across other media platforms.

V. THE FCC SHOULD HOLD ADDITIONAL OFFICIAL PUBLIC HEARINGS AND FORUMS IN LOCAL COMMUNITIES ACROSS THE U.S.

With no federal standards currently in place prescribing to broadcasters any comprehensive ascertainments of communities' unique and specific needs, nor any process to evaluate and hold accountable those broadcasters and media providers serving the local communities, there is a vacuum of information to guide the Commission and media providers on how media resources should best fulfill community needs, and the local effects of media concentration. The decision issued by the US Court of Appeals for the Third Circuit on June 24, 2004 brings a focus on the important role of public comment within the decision-making process of determining communications policy, and includes in footnotes the public forums held by two of the Commissioners. We join lawmakers, media policy groups, and citizens in calling for additional public forums and hearings, as well as a comprehensive study of how media resources shall be allocated and shall serve local communities, before changes are introduced by the Localism Task Force and the Commission, or recommendations for legislation are introduced to Congress.

CONCLUSION

Chairman Powell included this comment in his statement that accompanied the NOI: "Fostering localism is one of this Commission's core missions and one of three policy goals, along with diversity and competition, which have driven much of our radio and television broadcast regulation during the last 70 years." The Western Region of the Alliance believes that the best way to "foster localism" and promote locally-oriented programming is to ensure local and diverse ownership, and to set aside bandwidth and spectrum with adequate operating support for non-commercial, public service media in every community.

Local public interests are at risk as Congress and the FCC reshape the regulatory landscape for media. State and local governments in communities across America must have meaningful and well-defined roles to adequately protect media consumers and to effectively advocate for local needs and interests to be met.

As the federal government continues to consider governmental responsibilities that can be successfully transferred to state and local governments, PEG access provides an exemplary model of how services essential to the public welfare can be provided. Decisions about the operation of PEG access channels and facilities are made entirely at the local level. The Western Region of the Alliance believes that this simple and effective regulatory model should be applied to all media service-providers, to help ensure that programming reflects local interests and meets local needs

Respectfully submitted,

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